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CIA Mining of Harbors 'a Fiasco'

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WASHINGTON—When President Reagan's foreign policy advisers urged him to order the CIA to mine Nicaragua's harbors late in 1983, their reasoning was simple: No civilian cargo vessel would dare run such a gantlet, and the cutoff of imported weapons, fuel and other supplies would deal a grievous blow to the Sandinista government.

"We never dreamed that merchant captains would keep sailing in," one of the operation's planners confessed later. "The whole thing was a fiasco."

The mining ploy was intended as a critical boost to the CIA-backed rebels who were launching a major offensive—an offensive some hoped would spark a full-scale uprising against the leftist Sandinistas. Instead, when the mines blew up, so did the Reagan Administration's whole strategy—with consequences that still hobble U.S. policy in Central America.

The "firecracker" mines sowed by CIA-hired commandos working from speedboats were too small to do serious damage to ships, but the outrage they sparked forced Congress to confront squarely the mounting American role in the conflict.

In a few weeks of fury in mid-1984, Congress cut off funding for the anti-Sandinista rebels, known as *contras*, and the Reagan Administration's war against the leftists—intended as a discreetly "covert" operation—stood with all its flaws exposed.

'Whole Thing Backwards'

"We discovered that we had done the whole thing backwards," said a senior U.S. official who helped run the contra program. "We decided to take the action before we had achieved a national consensus on Nicaragua. We should have achieved a consensus first."

Indeed, by the time the furor over the harbor mining broke, the Administration did not even have a consensus of support on the key congressional watchdog committees because the CIA officer who ran the covert war, although remarkably successful in building up guerrilla forces, botched the job of winning over the House and Senate intelligence panels.

More than two years of uneasy dealings with the fast-talking CIA officer, who was code-named Maroni, had eroded many intelligence committee members' confidence in the agency; the disclosure about the CIA's direct role in mining Nicaraguan harbors was the last straw.

The consequences of congressional ire snowballed quickly. By the beginning of this year, Reagan's policy on Nicaragua was dead in the water. The contras were militarily stalemated and politically divided; the CIA was under public fire for mismanaging the program, and Honduras, the key U.S. ally in the conflict, was increasingly nervous about the relationship.

Now, Reagan has launched a new campaign to turn Congress around, complete with fiery rhetoric portraying the Sandinistas as "cruel totalitarians" and a warning that a loss on the issue would cripple his Central America policies. If the President loses this fight, Secretary of State George P. Shultz said last month, "all U.S. diplomatic efforts (in Central America) will be undermined, . . . (and) we may find later, when we can no longer avoid acting, that the stakes will be higher and the costs greater."

But some White House and State Department aides say privately that they see little chance of success.

None of these disasters was foreseen.

When the mining of Nicaragua's harbors was planned in the waning months of 1983, there was no significant opposition in the higher councils of the Administration, officials say. In the Defense Department, Deputy Assistant Secretary Nestor D. Sanchez—once a skeptic about the covert war—supported the mining because of the damage it was expected to do to Nicaragua's military buildup. In the State Department, Assistant Secretary Langhorne A. Motley supported it because of the increased leverage it would give him in negotiations with the Sandinistas.

The policy-makers considered mining the harbors to be only a small jump beyond the CIA sabotage raids that had already been carried out, with little public notice, against ports, bridges, arms dumps and oil facilities.

'People Kept Sailing In'

"And you should have seen some of the things we didn't try," one quipped.

It was a U.S.-run operation from start to finish. The mines themselves were slipped into three Nicaraguan harbors—Corinto, Puerto Sandino and El Bluff—by South American commandos. The commandos, who were brought in aboard a CIA-run "mother ship," slipped into the ports in agency-supplied speedboats, and U.S.-piloted attack helicopters supplied air cover.

The mines were laid in January and February of 1984. Several Nicaraguan fishing boats, a Dutch dredger, even a Soviet oil tanker ran into them, but the Sandinistas quickly discovered how small they were and cleared them. The most serious loss: seven fishing boats.

"The mines were very large firecrackers intended to cause a sense of alarm, force them to put military resources into minesweeping, divert resources from other things—they weren't intended to sink anything," said an official who was involved. "We anticipated, wrongly, that as soon as word of the mines got out, . . . shipping would stop coming in. It seemed insane, but people kept sailing in. It was a basic miscalculation on our part."

At the time, the contras, their ranks swollen to an estimated 16,000 thanks to two years and almost $80 million of CIA help, were launching a new offensive. In the planning meetings in Washington, some officials suggested that this small application of additional U.S. force could tip the scales in the rebels' favor. Other American officials would later call that hubris.

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Bargaining Chip

Some State Department officials also hoped that the mining might help bring the Sandinistas to the negotiating table. They saw mining as a bargaining chip that the United States could trade for an end to Managua's support of leftist rebels in El Salvador.

However, the Sandinistas never knew that the mining could be treated as a bargaining chip; the U.S. diplomats never had time to propose a tradeoff.

The contras didn't know about that possibility, either. Although their leaders claimed responsibility for the mining, they had no part in it. Edgar Chamorro, then a leader of the Honduras-based Nicaraguan Democratic Force, the largest rebel group, said the CIA even wrote his group's communique announcing the operation.

"The (CIA) deputy station chief wrote our statement on the mining," Chamorro said. "He woke me up in the middle of the night and told me to issue it. It was the first I knew of it."

Nor, of course, did Congress quite know what was going on. CIA Director William J. Casey told the House and Senate Intelligence Committees that harbors were being mined, but he did not mention that the operation was being carried out by CIA-employed commandos operating from an American-run mother ship.

The Democratic-led House panel pursued the issue, and agency officials gave its staff a detailed briefing. But the leaders of the Republican-controlled Senate Intelligence Committee never realized that Americans were directly involved until they read about it in the newspapers—and when that happened, they were enraged.

"This is no way to run a railroad," Sen. Barry Goldwater (R-Ariz.), chairman of the Senate panel, stormed in a letter to Casey. "I am pissed off!"

When Reagan first submitted the secret document called a "finding" to the two intelligence committees in 1981, informing them of his decision to support the contras, a majority went along. The program was small, its objectives were described as limited to intercepting Nicaraguan arms shipments bound for El Salvador and the money was taken from the CIA's existing contingency funds.

Congress' easy acceptance was short-lived, however. Intelligence Committee leaders, Republicans and Democrats alike, had already complained that Casey did not keep them as fully informed as they wanted. They soon discovered, to their chagrin, that Casey's executive officer for the Nicaraguan war, Dewey "Maroni," was cut from the same cloth.

"The problems began early on," recalled a source who attended the secret hearings. When the committees asked for evidence of Nicaragua's arms shipments to leftists in El Salvador, he said, "Dewey put it in very broad statements. He raised a credibility problem right off."

"He typified the CIA bureaucrat's view: Congress ought not to be messing in this business," a Democratic member of the House committee complained. "When he had to tell us something, he seemed to feel he was betraying the CIA's trust in him. . . . We were just not fully informed, and we never lost that feeling."

'We Got Stonewalling'

"All we got from Casey was stonewalling," another congressman said. "Trying to get facts was difficult. How do you know the numbers (of contras)? 'Morning reports.' How's your command and control? 'Tight.' Then at night we'd see on CBS how the contras were hitting economic targets—which the agency said they weren't hitting.

"And (Maroni) was a loose cannon," the congressman added. "He had the approach that 'This is my war, and I'm out to win it, regardless.' We just were never sure he gave us the information straight."

In fact, the faster Maroni succeeded in increasing the contras' ranks, the more alarmed the Democrats became. The CIA man had little sympathy for their concerns.

"What's this about 12,000 men?" one irritated Democratic congressman complained during a secret 1983 hearing on the contras' progress. "You never told us there were that many."

"You're lucky it's not 14,000," Maroni retorted.

Evasions and Brashness

Casey's evasions and Maroni's brashness were not the only problems. Through 1982 and 1983, long after it was apparent that the contras were up to more than intercepting Nicaraguan arms shipments, the Administration continued to cling to that as its main rationale for the covert program.

The result was that Casey and Maroni squandered the confidence of the intelligence committees, confidence that had been laboriously built since the CIA scandals of the 1970s. When the public uproar over the mining broke in April, 1984, they had no reservoir of good will to draw on. And they left a heavy legacy to be dealt with in Reagan's second term.

"The trust isn't there," mourned Sen. Dave Durenberger (R-Minn.), now chairman of the Senate Intelligence Committee. "There is an important amount of trust that has to exist . . . between the committee and the (CIA) professionals it's overseeing. And it's in this area that things have fallen down."

The debacle of the mining gave congressional Democrats the solid majority they had long sought to block any further funding for the contras. The Administration warned that it would mean abandoning "freedom fighters," but the House repeatedly blocked requests for more funds.

The discovery in October, 1984, of the CIA-written contra manual on psychological warfare, which Maroni commissioned in 1983, only made matters worse. The booklet urged guerrillas to "neutralize" local Sandinista officials—a word that, in context, seemed to many to mean assassination—and one edition went further, suggesting that the rebels hire professional criminals to carry out sabotage tasks.

Casey argued that the manual was produced in an attempt to improve the contras' behavior; other officials said it was intended partly to terrify the Sandinistas and claimed that copies were actually airlifted into Nicaragua with balloons.

Unwelcome Attention

Either way, the episode exposed the agency to yet more unwelcome attention. In December, the House Intelligence Committee issued an unprecedented statement charging the CIA with violating Congress' prohibition against efforts to overthrow the Sandinista regime. It said, "The incident of the manual

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illustrates once again . . . that the CIA did not have adequate command and control of the entire Nicaraguan covert action."

Meanwhile, in Honduras, the Nicaraguan Democratic Force, known by its Spanish initials FDN, was falling on hard times.

The CIA stretched out the remaining funds as long as it could. Maroni and Army Col. Oliver North, a member of the National Security Council staff, "assured the directors that they would find a way to keep us alive," said Chamorro, an FDN leader who soon became disenchanted with the deteriorating state of affairs. He was later expelled from the organization for complaining about its leadership.

By last June, the FDN could not meet its payroll or cover the rent on all its houses in the Honduran capital of Tegucigalpa. In the field, ammunition ran low and guerrilla operations came to a virtual halt. The directors squabbled in public.

And Honduras' new military leaders, who came to power by toppling a pro-FDN general, warned that they would be much less indulgent toward the Nicaraguan rebels operating in their territory.

'We Were Bay-of-Pigged'

Taken all together, FDN chairman Adolfo Calero felt that the United States had betrayed him—just as, he said, the United States had betrayed the abortive Cuban insurgency it sponsored in 1961.

"We were Bay-of-Pigged," Calero said recently.

Eden Pastora, the ex-Sandinista contra leader who was running his own guerrilla force from Costa Rica, was even worse off. Pastora had patched up his running feud with the CIA long enough to join in a loose alliance with the FDN and help it claim responsibility for the mining.

"We are performing miracles," he declared in a typical burst of bravado. "We are blocked by the CIA and persecuted by the KGB, . . . but we are mining the ports."

But the prickly Pastora was soon quarreling with his fellow contras again, and in May his own faction split in two over the issue of joining the FDN. Pastora stalked off into the mountains to fight on his own—only to be badly wounded when an assassin detonated a bomb in his jungle headquarters during a press conference on May 30, 1984.

This time, the CIA cut off his funding for good. Unpaid pilots absconded with his remaining aircraft, many of his guerrillas simply drifted away and at one point the man whom Dewey Maroni once promoted as the contras' greatest political hope was reduced to sending his followers door-to-door in the Costa Rican capital to beg for funds.

"The State Department and the CIA haven't just cut off our aid," Pastora charged last week. "They've been blocking European countries and Latin American countries from helping us, too . . . For a year now, we haven't gotten a bullet or a broken rifle."

Administration officials now dismiss Pastora as "impossible." Maroni, who once urged Col. Enrique Bermudez of the FDN to adopt more of Pastora's tactics, admitted to the FDN leadership last year that he had been wrong.

"Keep it up, colonel," Maroni told Bermudez, a former officer in the hated National Guard of pre-Sandinista dictator Anastasio Somoza. "You're doing a good job."

Bermudez is still fighting—both in the jungles of northern Nicaragua and, figuratively, in the hearing rooms of Congress. His FDN has stayed alive by collecting an assortment of stopgap aid, ranging from fund-raising drives among right-wing groups in the United States to clandestine help from the governments of Honduras and El Salvador.

Despite the organization's uncertain future, a steady stream of new recruits walks into FDN bases in southern Honduras, driven out of Nicaragua by the Sandinistas' confiscations of property and their universal military draft.

Forced by circumstance to concentrate on small-group guerrilla operations, the FDN has managed to hold its own militarily.

"We're doing more ambushes that don't require as much ammunition, using small groups, covering more territory," Calero said in a recent interview. "And this is a success, because the Sandinistas thought they were going to show the world the extermination of the contras."

For the moment, however, the congressional battlefield is more important. While the contras have survived for nine months since CIA funding ran out, they readily admit that without a large infusion of money soon their crusade will probably collapse. Bermudez and Calero both came to Washington to lobby for renewed aid but with little visible success.

'Right Versus Wrong'

Reagan has staked considerable prestige on the issue, hailing the contras as "our brothers" and defining U.S. aid to their struggle as a matter of honor. "We cannot turn away from them," he said last week, "for the struggle here is not right versus left, but right versus wrong."

Administration officials admit that they have seen few signs of a new consensus in favor of aiding the rebels, however. They are willing to accept almost any arrangement Congress will approve—"we'll go where the votes are," one aide said—but no one has found a formula to reconstitute a majority for funding the covert war. Even if the votes could be found, though, the contras' war would remain divisive at home and uncertain in its prospects abroad.

"We're in a bog with no easy way out," a State Department official confessed. "Look around: Over here you got snakes, over here alligators, over here piranhas. Where do you go? Which way do you choose?"

As often happens in Washington when a policy fails, everyone has drawn his own lesson from the four-year history of Reagan's once-secret war.

Some say the basic flaw was in the conception of the CIA effort. Liberals charge that the United States had no business waging war against the Sandinistas in the first place. Conservatives who support pressuring the Marxist regime complain that the covert scheme was too small to prevail but too large to keep secret.

"For a covert program to succeed, it had to be of such scope that it couldn't stay covert," said former Secretary of State Alexander M.

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Haig Jr., who argued for overt action against Nicaragua instead. "It was fundamentally a failure of the policy-making apparatus."

'Ineptness a Problem'

Others say that the concept was fine but that the White House failed to set clear goals, or the State Department put too many limits on the effort, or the CIA simply made too many mistakes in carrying it out.

"The Administration smugly thought it could handle the conflict in aims (between the United States and) the contra groups, whether it was to interdict arms or overthrow the Sandinistas," an intelligence source said. "And ineptness was a major problem . . . the mining, the manual."

Still others blame Congress for interfering just at the moment when they insist success was in sight. Partisans of this view, not surprisingly, include those who ran the program. And others also point to Congress but blame the Administration for failing to maintain Congress' confidence.

"Nicaragua has moved beyond a substantive issue to an issue of trust between the two branches," former CIA Director James R. Schlesinger told the Senate Foreign Relations Committee last month. "That issue of distrust has to be resolved."

The committees of Congress will debate all these points and more this spring, as Reagan presses his plea for a renewal of U.S. aid to the contras.

But Dewey Maroni, the CIA operations officer who ran the covert effort for Casey and Reagan, will not be part of that debate; last summer, he moved on to a new job within the agency, directing covert operations in Europe.

At least six members of Maroni's staff were officially reprimanded for some of the failings of the program, particularly the guerrilla manual that aroused Congress' ire in 1984. But not Maroni.

"It was amazing that Dewey skated out of the manual fiasco without a letter (of reprimand) in his file," an intelligence source said. "He was responsible . . . but only the junior guys were reprimanded."

In fact, colleagues say, Maroni's career does not appear to have suffered at all. When he left his post in the CIA's Latin American division, the State Department even awarded him its Superior Honor Award—a rare accolade for a non-diplomat.

"He deserved it," said an Administration official still involved in managing U.S. policy toward Nicaragua. "He did what he was asked to do. And he did it well."

Last in a series.